Agenda Date: 3/29/06 Agenda Item: IV A



STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

TEL	ECC	DMMC	JNICA	TIONS
-----	-----	------	--------------	-------

IN THE MATTER OF THE VERIFIED)
PETITION OF A.R.C. NETWORKS, INC.)
d/b/a INFOHIGHWAY COMMUNICATIONS)
AND FUTUR TELECOM, INC. FOR)
AUTHORITY FOR CUSTOMER)
MIGRATION TRANSACTIONS)

ORDER OF APPROVAL

DOCKET NO. TM06020076

(SERVICE LIST ATTACHED)

BY THE BOARD:

On February 6, 2006, A.R.C. Networks, Inc. d/b/a InfoHighway Communications (InfoHighway), an indirect subsidiary of Eureka Broadband Corporation, and Futur Telecom, Inc. (Futur) (collectively Petitioners), pursuant to N.J.S.A. 48:2-51.1 and 48:3-7, filed a petition with the Board of Public Utilities (Board) requesting authority to transfer certain assets of Futur, including customer accounts, to InfoHighway. Upon consummation of the transfer, Futur's customers will become customers of InfoHighway. InfoHighway will provide service to those customers at the same rates, terms and conditions that were in existence prior to the transaction.

BACKGROUND

InfoHighway is a New York corporation with headquarters located in Melville, New York. According to the petition, InfoHighway offers local and long distance services, point-to-point data services, high speed Internet, network design and wiring. In New Jersey, InfoHighway was granted authority to provide facilities based intrastate telecommunications on July 28, 2000. See Order I/M/O the Petition For an Order Authorizing A.R.C. Networks Inc. d/b/a InfoHighway, Inc. to Provide Local Exchange and Intrastate Toll Telecommunications, Docket No. TM00030170. Petitioners have indicated that InfoHighway currently has approximately 1,200 customers in New Jersey.

Futur is a Delaware corporation with its principal offices located in New York, New York. Futur was granted authority to provide facilities based local exchange and interexchange long distance services throughout New Jersey on March 6, 2003. See Order I/M/O the Petition For an Order Authorizing Futur Telecom America, Inc. to Provide Competitive Facilities-Based Local Exchange and Interexchange Long Distance Services Throughout New Jersey, Docket No. TE02090698. In New Jersey, Futur provides competitive local exchange services and currently has approximately 165 customers.

DISCUSSION

According to the petition, InfoHighway and Futur entered into an Asset Purchase Agreement (Agreement) on January 12, 2006. Under the terms of the agreement, InfoHighway will acquire certain assets of Futur, including customer accounts and accounts receivable. Upon closing, and following all required regulatory approvals, InfoHighway will provide services to Futur's customers. Following the closing of the transaction and once all customers are transferred to InfoHighway, Petitioners claim that Futur will seek to withdraw its authority to operate in New Jersey.

Petitioners indicate that InfoHighway will provide services to Futur's customers under the same rates, terms and conditions as those services are currently provided. Petitioners also state that, in compliance with Federal Communications Commission rules, Futur customers have been notified of the proposed transaction and as stated therein, will have the opportunity to choose another carrier if they do not wish to receive services from InfoHighway. The petition also states that InfoHighway's acquisition of the assets of Futur serves the public interest in promoting competition among telecommunications providers in New Jersey by enhancing the ability of InfoHighway to increase its presence and service offerings in New Jersey and provide customers with competitive pricing and the wide range of service offerings available from InfoHighway.

FINDINGS AND CONCLUSIONS

After a thorough review of the petition and all related documents, the Board concludes that there will be neither a negative impact on service quality to New Jersey customers or the rates they pay nor a negative impact on competition. Likewise, there will be no negative impact upon employees in the State. Moreover, a positive benefit may be expected from the strengthening of InfoHighway competitive posture in the telecommunications market.

Accordingly, after careful review of this matter, the Board FINDS that the transaction will have no negative impact on competition, the rates of current customers, or on employees. The Board also FINDS that the transfer will have no negative impact on the provision of safe, adequate and proper service, and will positively benefit competition. Therefore, the Board, after investigation, having considered the record and exhibits submitted in this proceeding, FINDS that the transfer is in accordance with the law and in the public interest. The Board HEREBY ORDERS that Petitioners shall notify the Board of the closing of the proposed transaction within ten (10) days of consummation of the transfer. The Board FURTHER ORDERS that the approval in this Order shall become null and void and of no effect to the extent it has not been exercised prior to September 30, 2006.

DATED: 3/31/06

BOARD OF PUBLIC UTILITIES

PRESIDENT

FREDERIČK F. BUTLER

COMMISSIONÉR

CONNIE O. HUGHES COMMISSIONER

SEPH L. FIORDALISO

OMMISSIONER

COMMISSIONER

ATTEST:

SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public

Service List

Docket No. TM06020076

James Laskey, Esq. Norris, McLaughlin & Marcus, P.A. 721 Route 202-206 Bridgewater, NJ 08807

Glenn S. Richards Jarrett S. Taubman Pillsbury Winthrop Shaw Pittman LLP 2300 N Street, N.W. Washington, DC 20037

Legal Department
Eureka Broadband Corporation
39 Broadway
New York, NY 10006

Jennifer D. Jannelle Shipman & Goodwin LLP One Constitution Plaza Hartford, Connecticut 06103

Seema M. Singh, Esq., Ratepayer Advocate Division of the Ratepayer Advocate 31 Clinton Street, 11th Floor P.O. Box 46005 Newark, NJ 07101

James F. Murphy Rocco Della Serra Board of Public Utilities Division of Telecommunications Two Gateway Center Newark, NJ 07102

Elise Goldblat, Esq.
Kenneth Sheehan, Esq.
Department of Law & Public Safety
Division of Law
124 Halsey Street – 5th Floor
P.O. Box 45029
Newark, New Jersey 07102